

NORTHERN FUNDS

NORTHERN ENGAGE360™ FUND (NENGX)

As of 06/30/23

FUND COMMENTARY

Global markets were positive in the second quarter appreciating by 6.18% as measured by the MSCI All Country World Index (ACWI). In the quarter, growth was significantly in favor relative to value as the MSCI ACWI Growth Index returned 9.20% versus 2.98% for the MSCI ACWI Value. In the U.S., the S&P 500 was positive returning 8.74%. International developed markets, as measured by the MSCI EAFE Index, appreciated by 2.95%, and the MSCI Emerging Markets Index was up 0.90%.

The Fund underperformed its benchmark, the MSCI ACWI, in the period appreciating 5.76% compared to the benchmark return of 6.18%. A meaningful headwind in the quarter was once again the Fund's underweight to a handful of mega cap technology and consumer discretionary companies which had outsized returns relative to the broader market. Offsetting some of this headwind was positive stock selection, namely in the Fund's U.S. information technology and industrials holdings.

All sub-advisers except for Mar Vista detracted from excess returns in the quarter. Sub-adviser Boston Common was the largest detractor to Fund performance in the quarter primarily due to investing in international markets which underperformed U.S. equities. EARNEST and Aristotle detracted primarily due to having underweights to mega cap companies. EARNEST also detracted due to negative stock selection in communication services. Mar Vista added to excess returns driven by positive stock selection in their industrials holdings and sector positioning. Ariel slightly detracted from performance driven by its smaller cap exposure.

Please carefully read the summary prospectus or prospectus and consider the investment objectives, risks, charges and expenses of the Northern Funds carefully before investing. Call 800-595-9111 to obtain a summary prospectus or prospectus, which contains this and other information about the funds.

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Performance as of 06/30/23				Annualized Returns					
FUND	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception*	Gross Expense Ratio	Net Expense Ratio
Northern Engage360™ Fund	5.76%	11.11%	15.86%	8.68%	6.44%	N/A	6.00%	0.77%	0.71%
MSCI ACWI Index ¹	6.18%	13.94%	16.53%	10.99%	8.10%	N/A	7.74%		

*Inception Date- 11/20/17

¹**MSCI All Country World Index (MSCI ACWI)**, a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 46 country indices comprising 23 developed and 23 emerging market country indices. The index is calculated net of foreign tax withholdings. It is not possible to invest directly in an index.

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown here. Performance data current to the most recent month end is available by calling 800-595-9111.

The Gross and Net Expense Ratios are as of the most recent prospectus. The Net Expense Ratio includes contractual expense reimbursements that, if not extended, will end on July 31, 2023.

Emerging and Frontier Markets Risk: Emerging and frontier market investing may be subject to additional economic, political, liquidity and currency risks not associated with more developed countries. Additionally, frontier countries generally have smaller economies or less developed capital markets than traditional emerging markets and, as a result, the risks of investing in emerging market countries are magnified in frontier countries.

Equity Risk: Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed-income securities. The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes.

Foreign (Non-U.S.) Securities Risk: Investing in foreign (non-U.S.) securities may result in the Fund experiencing more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies, due to less liquid markets, foreign government intervention and adverse economic, political, diplomatic, financial and regulatory factors.

Multi-Manager Risk: is the risk that the sub-advisers' investment styles will not always be complementary, which could affect the performance of the Fund.

Not FDIC insured | May lose value | No bank guarantee

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